

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
REGULATION AND ENFORCEMENT REVIEW COMMITTEE –
25 FEBRUARY 2015

REPORT BY THE DIRECTOR FOR FINANCE FOR TRANSPORT AND
TECHNICAL SERVICES

ANNUAL REVIEW OF FEES AND CHARGES

In this report we ask that the Committee approve the proposed increases in the fees charged by the Council for issuing a variety of licences and permits, with effect from 1 April 2015.

FOR DECISION

1 INTRODUCTION

- 1.1 We request that the Committee approve the proposed increases for the fees and charges detailed in the appendices of this report.

2 BACKGROUND

- 2.1 In October 2014, the Cabinet Member for Finance and Strategy recommended that a minimum increase of 1.6 per cent for inflation should be applied to maintain the level of charging income for the Council in real terms. In reviewing the charges, our officers have considered the level of demand for the service, the market position and how the charging policy helps to meet other service objectives. This is in line with the Royal Borough Charging Policy.
- 2.2 This report covers chargeable functions that are exercised by Transport and Technical Services that stem from the Council-side of the constitution. In most cases the proposed new charge has been rounded to the nearest pound, the actual percentage change is shown for information.

3 LICENSING FEES

- 3.1 Under the various relevant statutory provisions local authorities are entitled to charge fees for licences. Apart from certain licences where the fees charged are fixed by law, the local authority can charge a reasonable fee which, when totalled, should not exceed the cost of running the licensing service.

- 3.2 The **strategic objective** of the Council is to recoup its costs incurred in administering the individual licensing functions *where the relevant legislation* allows.
- 3.3 Following this year's review it has been recommended to the relevant Cabinet Member that all non-statutory fees are increased by the recommended 1.6 per cent. There is one exception outlined in section 3.4. The proposed increases for 2015-16 are consolidated in Appendix A.
- 3.4 Pre-application Advice Fees (Licensing Act 2003) have increased by only 1%. This 1% increase is in accordance with the general staff salary increase, as fees relate solely to officer costs. These fees consist of small applications, medium applications and large applications, where the officers' time increases according to the application size.

4 TRANSPORTATION AND HIGHWAYS FEES

- 4.1 The relevant highways services for which fees are charged are permissions to:
- erect banners
 - deposit skips
 - erect scaffolding
 - deposit building materials
 - erect hoardings
 - carry out crane operations (where this does not require a temporary road traffic regulation order)
 - carry out construction works
 - open the footway
 - carry out work on the street to provide means of admitting light to an adjacent premises
 - place amenities on the public highway (typically tables and chairs),
 - erect temporary structures
 - carry out street works
 - construct a building over-sailing the highway
- 4.2 The **strategic objective** for all these services is, as far as possible, full cost recovery including overheads. The Local Authority has the power to impose a charge in relation to the above applications, pursuant to Regulation 3 of The Local Authorities (Transport Charges) Regulations 1998 and the Highways Act 1980. The amount charged is at the Council's discretion; however in determining the relevant amount, regard must be had to the cost of dealing with the matters in question (Regulation 4).
- 4.3 For all services where a flat fee is charged it is proposed that a minimum increase of 1.6 per cent (rounded to the nearest whole

pound) is introduced. The exceptions to this are highlighted in sections 4.4 to 4.7 below. The proposed increases and service charges for 2015-16 are consolidated in Appendix B.

Highways

- 4.4 The 'Permission to deposit a skip on the highway' fee has increased by 2.3%. This is because the skip application administration charge includes a charge relating to parking bay suspension and for the skip license. Due to this dual effect and rounding effects, the fee is now £88, which is an increase of 2.3% from £86.

Fee for placing amenities on the public highway

- 4.5 The fee for 'Tables and Chairs and other amenities' has been revised. It was agreed a move from the current flat fee structure to one which charges a varying fee depending on the number of chairs licensed and the terminal hour of the licence. This is based on the London Local Authorities Act 2012 that allows London Local Authorities to include the costs of compliance monitoring in the application fee.
- 4.6 The new fee structure is made up of three components: the application fee, the chair fee and the terminal hour fee. The proposal is to introduce the new charging structure at the same time as the Council's fees and charges are raised in line with inflation, at the start of the new financial year.
- 4.7 The application fee for 2015/16 would be £458 payable by all premises – this covers the Council's administrative costs, which do not vary. The (additional) chair fee would be £18 per chair, with benches counting as three or six chairs depending on their length – this relates to that element of the Council's monitoring costs which vary according to the number of tables and chairs on the highway. The terminal hour fee would be £224 and would be payable by those wishing to place tables and chairs out after 9pm – this relates to the additional costs incurred by the Council for night time monitoring when monitoring officers carry out their duties in pairs.
- 4.8 The new fees proposed are set out in Appendix B, Page 2.

5 FINANCIAL, LEGAL, PERSONNEL, EQUALITY IMPLICATIONS

- 5.1 The Bi-Borough Director for Finance (ELRS and TTS) comments that the proposed charges in this report comply with the request made by the Cabinet Member for Finance and Strategy in that, except where specifically mentioned, fees and charges be increased by a minimum of 1.6 per cent. It is estimated that this will generate additional income of approximately £28,000.

- 5.2 The legal implications are contained in the body of the report.
- 5.3 The Bi-borough Director of Human Resources has been consulted and notes that there are no direct personnel implications arising from this report.
- 5.4 The recommendations in this report do not have any equalities implications.

6 RECOMMENDATION

- 6.1 I recommend that the Committee approve the strategic objectives for charging and agree to the proposed fee revisions as set out in appendices A and B, to take effect from 1 April 2015.

FOR DECISION

**MARK JONES
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TRANSPORT AND TECHNICAL SERVICES**

Background papers: None

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Appendices

A – Licensing fees

B – Transportation and Highways fees